400 Texas Street, Suite 1400 Shreveport, LA 71101

Firm: 318.221.6858
Fax: 318.227.2967
Web: www.bwor.com

Mailing Address:

P.O. Drawer 1126 Shreveport, LA 71163-1126

WM. TIMOTHY ALLEN, III

Direct: 318.934.0217
Email: tallen@bwor.com

December 15, 2005

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION

Hosston Formation, Reservoir A
Davis Zone, Reservoir A
Vaughn Sand, Reservoir A
Bodcaw Sand, Reservoir A
"D" Sand, Reservoir A
Cotton Valley Formation, Reservoir A
Gray Sand, Reservoir A
Tremont Field
Lincoln Parish, Louisiana
Our File No. 450592.06

Dear Sir:

On behalf of CLAYTON WILLIAMS ENERGY, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Hosston Formation, Davis Zone, Vaughn Sand, Bodcaw Sand, "D" Sand, Cotton Valley Formation, and Gray Sand, Reservoirs A, in the Tremont Field, Lincoln Parish, Louisiana.

- 1. To create one (1) additional drilling and production unit (to be designated as HOSS RA SUL), as shown on the plat attached hereto as Exhibit No. 1, for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana.
- To redefine the Hosston Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, INSOFAR AND ONLY INSOFAR as existing HOSS RA SUK and proposed HOSS RA SUL are concerned, as being that gas and condensate bearing interval encountered between the depths of 5640 feet and 8670 feet (electric log measurements) in the Pogo Producing Co. (Conquest) Norris No. 1 Well located in Section 15, Township 18 North, Range 1 West, Lincoln Parish, Louisiana;
- 3. To dissolve the drilling and production units designated as Davis RA SU W and Davis RA SU X, as shown on the plat attached hereto as Exhibit No. 2, which were created by Office of Conservation Order No. 594-A-13, effective September 15, 1982, and OrderNo. 594-A-14, effective May 1, 1984, for the Davis Zone of the Cotton Valley Formation, in the Tremont Field, Lincoln Parish, Louisiana;
- 4. To dissolve the drilling and production unit designated as VA RA SU E, as shown on the plat attached hereto as Exhibit No. 2, which was created by Office of Conservation Order

No. 594-D-2, effective May 1, 1984, for the Vaughn Sand, Reservoir A, of the Cotton Valley Formation, in the Tremont Field, Lincoln Parish, Louisiana;

- 5. To dissolve the drilling and production units designated as BOD RA SU D and BOD RA SU E, as shown on the plat attached hereto as Exhibit No. 2, which were created by Office of Conservation Order No. 594-B-2, effective May 1, 1984, and Order No. 594-B-3, effective May 22, 1985, for the Bodcaw Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana;
- 6. To dissolve the drilling and production unit designated as D RA SU A, as shown on the plat attached hereto as Exhibit No. 2, which was created by Office of Conservation Order No. 594-F, effective May 1, 1984, for the "D" Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana;
- 7. Simultaneously with the dissolution of the abovesaid units, to establish rules and regulations and create two (2) drilling and production units (to be designated as CV RA SUA and CV RA SUB), as shown on the plat attached hereto as Exhibit No. 1, for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana;
- 8. To create two (2) additional drilling and production units (to be designated as GRAY RA SUB and GRAY RB SUC), as shown on the plat attached hereto as Exhibit No. 1, for the exploration for and production of gas and condensate from the Gray Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana;
- 9. To permit the downhole combination of production of hydrocarbons from the Hosston Formation, Cotton Valley Formation, and the Gray Sand, Reservoirs A, in the wellbore of any well drilled in the abovesaid units in which the acreage and ownership is identical, at the operator's discretion;
- 10. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, was previously defined in Office of Conservation Order No. 594-C, effective July 15, 1975, but shall be redefined as set forth above.

The Davis Zone of the Cotton Valley Formation, in the Tremont Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 594-A, effective June 1, 1971.

The Vaughn Sand, Reservoir A, of the Cotton Valley Formation, in the Tremont Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 594-D, effective July 15,1975.

The Bodcaw Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 594-B, effective March 18, 1975.

The "D" Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 594-F, effective May 1, 1984.

The Cotton Valley Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, is hereby defined as that gas and condensate bearing interval between the depths of 8670 feet and 11,400 feet (electric log measurements) in the Pogo Producing Co. (Conquest)- Norris No. 1 Well located in Section 15, Township 18

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North, Range 1 West, Lincoln Parish, Louisiana.

The Gray Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana is fully defined in Office of Conservation Order No. 594-J, effective September 13, 2005.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Chase Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A Pre-Application Conference was held at the offices of Blanchard, Walker, O'Quin & Roberts, 15th Floor Conference Room, Chase Tower, 400 Texas Street, Shreveport, Louisiana, on December 15, 2005, at 10:00 a.m. In addition to the Applicant's representatives, said conference was attended by the parties shown on the attached attendance list. Following a presentation by Applicant's representative, David Fox, as to the geological and other bases for its proposal, a general discussion ensued prior to adjournment. At the request of Samson Contour Energy E&P, LLC, it was agreed that the proposed base of the definition interval for Cotton Valley Formation, Reservoir A, would be amended to a depth of 11, 400' as shown in the definition noted above. No opposition was expressed at the conference. It is anticipated that the hearing regarding the captioned matter will be uncontested.

A check in the amount of \$5,185.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list, and to all Attendees at the Pre-Application Conference.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

WTAIII:kml Enclosures Wm. Timothy Allen III
Attorneys for Clayton Williams Energy, Inc.

cc: Mr. James C. Broussard, Shreveport

District Manager (w/enclosures)

cc: Interested Owners, Represented Parties

and Interested Parties (w/copy of plats only)

cc: Attendees at Pre-Application Conference



